

SJ-EXHIBIT 20

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION

4 IN RE: NATIONAL : MDL No. 2804
5 PRESCRIPTION OPIATE :
6 LITIGATION : Case No. 17-md-2804
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8 APPLIES TO ALL CASES : Hon. Dan A. Polster
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1 HIGHLY CONFIDENTIAL

2 SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

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4 JANUARY 8, 2019
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6 VIDEOTAPED DEPOSITION OF GREGORY CARLSON,
7 taken pursuant to notice, was held at Marcus &
8 Shapira, One Oxford Center, 35th Floor, Pittsburgh,
9 Pennsylvania 15219, by and before Ann Medis,
10 Registered Professional Reporter and Notary Public in
11 and for the Commonwealth of Pennsylvania, on Tuesday,
12 January 8, 2019, commencing at 9:06 a.m.

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14 GOLKOW LITIGATION SERVICES
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16 deps@golkow.com

1 was complying with the Controlled Substances Act
2 between 2009 and 2014 whether HBC had any policies
3 in writing during that timeframe?

4 MR. BARNES: Object to form.

5 THE WITNESS: They had procedures in
6 writing.

7 BY MR. ROTTINGHAUS:

8 Q. Now you're using procedures, not
9 policies. So I want to make sure I'm not getting
10 confused.

11 A. It's a definition from a Giant Eagle
12 definition standpoint. So you can define policies
13 and procedures however you want. We had
14 procedures documented.

15 When we went to get our DEA license, we had
16 to have procedures documented. Otherwise, they
17 would not have approved. The DEA approved our
18 facility to be licensed. We had to have the
19 required documentation and procedures put together
20 on paper, and we showed them to the DEA officers
21 who came in and inspected the facility prior to
22 using it. And all of our procedures matched up
23 with the Controlled Substances Act.

24 Q. And these are in writing?

25 A. They were in writing.

1 BY MR. ROTTINGHAUS:

2 Q. Would one benefit of the documentation
3 be the ability to show any regulatory body that
4 HBC did indeed take steps to maintain a system, to
5 implement, design and operate a system to disclose
6 the presence of suspicious orders?

7 A. When we opened HBC, we received our DEA,
8 we were inspected by the DEA. They came in. They
9 looked at all of our security features related to
10 this Controlled Substances Act, looked at all of
11 our processes.

12 Our security, according to them, fit all
13 requirements, all the needed necessary steps. We
14 were acting upon that. There was nothing in the
15 provision that said we had to keep documentation
16 for any period of time on any investigation.

17 We did our process. If there was any
18 suspicion come up, we investigated it thoroughly,
19 made our decision. And I can't even think of a
20 time where we -- maybe there was a couple, but not
21 that I can recall, an example when there was a
22 suspicious order that we actually defined. I'm
23 not saying it didn't happen, but I can't recall an
24 example.

25 MR. ROTTINGHAUS: Object and move to

1 did you understand that to include an overall
2 evaluation of the adequacy of the controls at the
3 HBC and store levels?

4 A. Yes.

5 Q. Do you understand that the regulation
6 that you were shown by plaintiffs' counsel is just
7 one small aspect of the overall security
8 requirement?

9 A. Correct, yes.

10 Q. And do you understand that 1301.74
11 requires that HBC operated a system to disclose
12 suspicious orders?

13 A. Yes.

14 Q. Did you ever understand it to require
15 any type of formulaic or threshold system?

16 A. No.

17 Q. At the warehouse level, I just want to
18 explore what you do understand. You mentioned
19 cages, things of that nature.

20 Were these control IIIs, IVs, and Vs kept in
21 locked cages?

22 A. Yes, per the DEA requirements of
23 specifically around the cage.

24 Q. You said the DEA actually reviewed the
25 HBC security system before it opened and started

1 distributing control IIIs, IVs, and Vs?

2 A. Yes, before they approved our DEA
3 license.

4 Q. And did they come in from time to time
5 to reaudit and inspect?

6 A. Yes.

7 MR. ROTTINGHAUS: Objection. Leading.

8 BY MR. BARNES:

9 Q. At any time, did the DEA ever advise HBC
10 that there was anything lacking in their control
11 system?

12 MR. ROTTINGHAUS: Objection.
13 Foundation.

14 THE WITNESS: There was nothing pointed
15 out within our security measures that didn't meet
16 the requirements.

17 BY MR. BARNES:

18 Q. Did Giant Eagle ever distribute to
19 internet pharmacies?

20 A. No.

21 Q. By Giant Eagle I'm including HBC.

22 A. No, we did not.

23 Q. But you've also told us that you don't
24 really know the details -- you said the pickers
25 were regulated in terms of access to the cages; is